

SECOND REGULAR SESSION

# HOUSE BILL NO. 1594

## 96TH GENERAL ASSEMBLY

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INTRODUCED BY REPRESENTATIVES SHIVELY (Sponsor), AULL, McNEIL, KELLY (24),  
WEBB AND QUINN (Co-sponsors).

5583L.011

D. ADAM CRUMBLISS, Chief Clerk

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### AN ACT

To amend chapter 376, RSMo, by adding thereto one new section relating to the approval or disapproval of long-term care insurance rates by the director of the department of insurance, financial institutions and professional registration.

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*Be it enacted by the General Assembly of the state of Missouri, as follows:*

Section A. Chapter 376, RSMo, is amended by adding thereto one new section, to be  
2 known as section 376.1110, to read as follows:

**376.1110. 1. No insurance company licensed to transact business in this state shall  
2 deliver or issue for delivery in this state any policy or certificate of long-term care  
3 insurance, unless the classification of risks and the premium rates pertaining to such policy  
4 or certificate have been filed with and approved by the director.**

**5 2. Rates for long-term care insurance shall not be excessive, inadequate, or unfairly  
6 discriminatory. In no event shall the rates charged to any policy holder or certificate  
7 holder increase by more than fifteen percent during any annual period, unless the insurer  
8 can clearly document a material and significant change in the risk characteristics of all its  
9 in force long-term care insurance policies or certificates. All rates for long-term care  
10 insurance shall be made in accordance with the following provisions and due consideration  
11 shall be given to:**

- 12 (1) Past and prospective loss experience;  
13 (2) Past and prospective expenses;  
14 (3) Adequate contingency reserves; and  
15 (4) All other relevant factors within and without the state.**

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

16           **3. The director shall approve or disapprove a rate filing within forty-five days after**  
17 **the filing and submission thereof. The failure of the director to take action approving or**  
18 **disapproving a submitted rate filing within the stipulated time shall be deemed an approval**  
19 **thereof until such time as the director shall notify the submitting company of his or her**  
20 **disapproval thereof. If a rate filing is disapproved, the reasons therefor shall be stated in**  
21 **writing. Any notice of disapproval shall state that a hearing shall be granted, if so**  
22 **requested.**

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